

Enquiries: **Bianka Belinska**
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Ref. NER/D/NC071/2017/18

Mr T Makhoba
The Municipal Manager
Ubuntu Local Municipality
Private Bag X 329
Victoria West
7070

Per Email: cornettvw@gmail.com

Dear Mr Makhoba

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2017 – 30 JUNE 2018

Your correspondence dated 26 April 2017 refers.

The Energy Regulator at its meeting held on 13 April 2017 approved the guideline increase of 1.88% for municipalities applicable for 2017/18 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 1 July 2017 - 30 June 2018 and approved the tariffs as follows:

DOMESTIC TARIFFS

- Domestic Prepaid

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50kWh)	85.58
Block 2 (51 – 350kWh)	110.03
Block 3 (351 – 700kWh)	154.86
Block 4 (701 - 1000kWh)	182.37

Regulator Members: Mr JRD Modise (Chairperson) Ms MMD Nkomo (Deputy Chairperson) *Mr C Forlee (Chief Executive Officer)
Mr Y Adam *Ms N Maseti *Mr M Ncetezo Ms KR Mthimunya Mr FK Sibanda
*Full-Time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

- **Domestic Conventional**

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50kWh)	85.58
Block 2 (51 – 350kWh)	110.03
Block 3 (351 – 700kWh)	154.86
Block 4 (701 - 1000kWh)	182.37
Basic Charge (R/month)	124.82

COMMERCIAL TARIFFS

- **Business Prepaid**
 - Energy charge: 179.09c/kWh
- **Commercial Conventional Single & Three Phase**

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (2000kWh)	169.98
Block 2 (3000kWh)	166.03
Block 3 (7000kWh)	147.25
Basic Charge (R/month)	336.19

The Energy Regulator further directs that the municipality must submit progress on the initiative that it embarked on to reduce the high levels of system losses by 30 September 2017.

Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), National Energy Regulator is entrusted to perform all the functions that the National Electricity Regulator used to perform, and amongst others, to review and approve tariff increase proposals by all licensed distributors of electricity in South Africa. Implementation of tariffs without approval of the Energy Regulator is a contravention of the license conditions issued to you.

It is therefore important that provision is made in your planning / budgeting cycle to allow time for the submission of applications for future changes or increases to NERSA for consideration.

Should you have any enquiries please do not hesitate to contact Ms Maria Matlhaku in the Electricity Pricing and Tariffs Department on (012) 401 4056 or email: maria.matlhaku@nersa.org.za

Yours sincerely,



Chris Forlee
Chief Executive Officer

Date: 2017/06/02